

EX PARTE OR LATE FILED

BELLSOUTH

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DOCKET FILE COPY ORIGINAL

August 23, 1996

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AUG 23 1996

Ex Parte

Federal Communications Commission
Office of Secretary

Mr. William F. Caton
Acting Secretary
1919 M Street, NW, Room 222
Washington, D.C. 20554

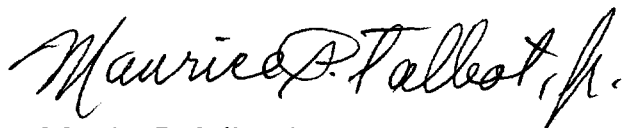
RE: CC Docket No. 96-112, Allocation of Costs Associated with LEC
Provision of Video Programming Services

Dear Mr. Caton:

BellSouth hereby submits for the record this letter and the attached letter with attachments to Ira Fishman of the General Counsel's Office.

Pursuant to Section 1.1206(a)(1) of the Commission's rules, governing written ex parte presentations, two (2) copies of this letter and the attached letter with attachments are being filed with the Secretary of the FCC.

Sincerely,



Maurice P. Talbot, Jr.
Executive Director - Federal Regulatory

cc: Ira Fishman (w/o attachment)

No. of Copies rec'd
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BELLSOUTH

Mary L. Henze
Assistant Director-Policy Analysis

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AUG 23 1996

**Federal Communications Commission
Office of Secretary**

August 23, 1996

Mr. Ira Fishman
Special Counsel
Federal Communications Commission
1919 M Street, NW, Suite 614
Washington, DC 20554

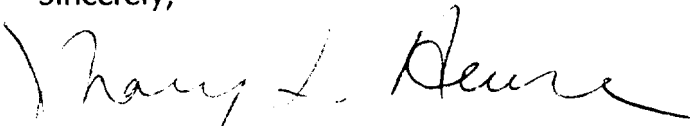
Dear Mr. Fishman,

Attached for your information is an ex parte filing BellSouth made in response to questions from Joint Board staff on the education section of the universal service proceeding.

Included in the filing is a summary of the focus group discussions BellSouth held with educators in four of our states on universal service issues.

Please do not hesitate to call if you have any questions.

Sincerely,



Mary L. Henze
Assistant Director - Policy Analysis

BELLSOUTH

Cynthia K. Cox
Executive Director-
Federal and State Relations

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August 20, 1996

EX PARTE

Mr. William F. Caton
Acting Secretary
1919 M Street, N.W. Room 222
Washington, D.C. 20554

RECEIVED

AUG 20 1996

Federal Communications Commission
Office of Secretary

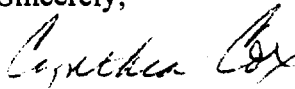
Re: Ex Parte CC Docket No. 96-45, Federal-State Joint Board on Universal Service

Dear Mr. Caton:

The attached information is being filed in the above referenced docket as requested by members of the Joint Board Staff during a meeting with BellSouth on August 6, 1996.

In accordance with Section 1.1206 (a)(1) of the Commission's rules, two (2) copies of this notice and the attached information are being filed with the Secretary of the FCC today.

Sincerely,



Cynthia Cox
Executive Director, Federal & State Relations

cc: Deborah Kriete, Pennsylvania
Mark Long, Florida
Sam Loudenslager, Arkansas
Leigh Palagyi, Washington
Paul Pederson, Missouri

Question:

Which states in BellSouth's service territory require district-based or school-based technology plans and what is the enforcement power to accomplish those plans?

Response:

The attached matrix describes for each state whether a statewide technology plan is in place; whether the plan requires district-based and/or school-based technology plans; whether state funding is contingent on an approved plan and whether the state provides a model of technology deployment.

State Education Technology Plans

State	State Plan	State-Required District Plan	State-Required School Plan	Funding Contingency	Information Source	Model/ Standards	Implementation Year
Alabama	yes	yes	no	yes	Department of Education	?	1996
Florida	no	yes	no	yes	Department of Education	technology functionality plan	1996-97
Georgia	no	yes	yes	yes	Department of Education	under review	1994
Kentucky	yes	yes	?	yes	SREB files	school/classroom model	1992-93
Louisiana	ready for approval	recommended under L.E.A.R.N.	recommended under L.E.A.R.N.	no	L.E.A.R.N. director; Goals2000 planning	-----	1996-97
Mississippi	yes	yes	no	yes	Ms. Master Plan for Educ. Technology	school/classroom model	1995
North Carolina	yes	yes	no	yes	Department of Education	?	1994-95
South Carolina	yes	no	no	no	Department of Education	-----	1995
Tennessee	yes	yes	no	yes	ConnectTEN Project	district-wide functionality model	1993-94

QUESTIONS ON SECTION 254(h)

A. Questions from Joint Board:

1. How does the funds-to-schools (FTS) approach meet the statutory requirement of Section 254(h)(1)(B) which specifically uses the term "discount"?

Under the FTS approach, a school or library would have universal service funds available to it which could be used to obtain telecommunications services for which it has made a bona fide request "at rates less than the amounts charged for similar services to other parties." This, indeed, is the meaning of "discount" in Section 254(h)(1)(B).¹ The non-discounted rate for the service (and at which the rate would be made available to other customers) would be determined by tariff, from a competitive bid process, or pursuant to other contractual negotiations. Unlike other customers, however, the school or library would be able to apply part or all of the amount of its allotted universal service support dollars to obtain the service at less than that tariffed, competitively bid, or negotiated rate. Thus, the school or library would be obtaining the service at rates less than such service is made available to any other customer obtaining the service at the tariffed, bid, or negotiated rate, as applicable.

Section 254(c)(3) authorizes the Commission to designate the telecommunications services which are eligible for universal service support under Section 254(h)(1)(B). BellSouth urges the Joint Board to recommend and the Commission to adopt a flexible definition which recognizes that schools and libraries may have different specific telecommunications service needs, depending upon their current and future ability to appropriately use such services for educational purposes and the level to which their existing telecommunications systems have already been developed and incorporated their programs and curricula. At the same time, the Joint Board and the Commission must recognize that the definition under Section 254(c)(3) need not and should not encompass an unlimited quantity of services or an unlimited amount of support. Thus, BellSouth urges the Joint Board and the Commission to specify that the telecommunications services designated under Section 254(c)(3) would be those telecommunications services for which the school or library can make a bona fide request and can incorporate into a legitimate educational technology plan (as determined by the appropriate state or local entity), with the maximum dollar amount of federal support under Section 254(c)(3) as sized by the Commission.

The amount of the allotted universal service support actually made available to each school or library under Section 254(h)(1)(B) would be determined by the Commission, for interstate services, and by each state, for intrastate services, with the maximum combined amount as determined by the Commission under Section 254(c)(3). The Commission and the states could each exercise their authority under Section 254(h)(1)(B) by permitting schools and libraries the flexibility to apply the amount their allotted support to the degree they desire to those services included under the Section 254(c)(3) definition which best meet their needs. If a state desires to provide universal service support over and above the cap established by the Commission pursuant to Section 254(c)(3), or to establish additional definitions and standards, it could do so but only if it met the requirements of Section 254(f) by adopting "additional specific, predictable, and sufficient mechanisms to support such [additional] definitions and standards that do not rely on or burden Federal universal service support mechanisms."

¹ Section 254(h)(1)(B) refers to these as the equivalent. For instance, the obligation of the telecommunications carrier is to provide the service "at rates less than the amounts charges for similar service to other parties," and the immediately succeeding sentence refers to the amount of the rate differential as "the discount."

Question:

What has BellSouth learned from education focus groups in the southern region about issues of universal service?

Response:

BellSouth requested the BellSouth Foundation to convene focus groups and invite educators from various education segments to discuss six issues related to universal service. The discussions have been summarized by BellSouth and also by the independent facilitator who conducted the meetings. Separate summaries are attached.

Universal Service -- Opportunities for K-12 Schools: Discussions with Educators in Four Southern States:

Background:

In June and July of 1996, the BellSouth Foundation, in partnership with statewide education non-profits in four states, invited educators to discuss six issues fundamental to universal service under the Telecommunications Act of 1996. The invitation represents a commitment of the Foundation to engaging local educators in public policy discussions about education. The results were shared with corporate managers to supply insight into the interests of educators in the region. Participants also were advised about how to contribute directly to the regulatory process.

Telecommunications Act requires that telecommunications be made "affordable" to elementary and secondary schools as part of a new definition of universal service. Questions posed at the four meetings were designed to lead to a better understanding of the needs and expectations of local schools about telecommunications services, their internal operations, and the roles and responsibilities of various levels of administration.

Each of the four groups was comprised of an identified segment of the professional education community: district superintendents, local school board members, teachers and principals, and technology coordinators at the school or district level. Introducing the meetings, BellSouth managers presented an historical perspective of the Telecommunications Act of 1996 and a framework of the regulatory proceeding to address universal service. The two-hour discussions were facilitated by a consultant from MGT of America, Inc. in Tallahassee, Florida, a former state director of education technology. Responses to each of the six questions are summarized below or described through specific quotes or paraphrases.

Discussion Questions: Universal Telecommunications Services and Education

BellSouth Summary of Notes:

1. What telecommunications services are you using today? And what are you planning to use in the near future? Of these services, which do you consider the highest priority?

Participants described current access to cable and satellite, and increasing network capabilities within and among schools. While some spoke of fiber networks and Internet access, all acknowledged "enormous disparity among schools" in their use of telecommunications and technology.

Future plans were described as largely dependent on funding. Various districts had succeeded in finding funds through federal grants, bond issues, sales tax referenda, and lottery proceeds for hardware and networks, but most expressed frustration at the recurring costs of high speed, high bandwidth transport services, regardless of the provider.

The educators' priorities for the future predominantly were interconnectivity among classrooms and schools, and Internet access between home and school for teachers, students and parents. Other strong interests were: voice services in the classroom, voice mail and hot lines, internal e-mail and connectivity to the community, video conferencing, and beepers for staff.

Within the conversation on telecommunications services and plans for the future, educators spoke about concerns for achieving their plans. They cited the following as barriers:

- recurring costs of transport
- replacing the obsolete hardware now in place
- affordability of new hardware to extend the access to all students
- greater electrical capability required by new systems
- technology planning at the school and district level
- training needs of teachers and staff

One myth was dispelled about teacher use of technology that gives us great expectations for accelerating the education impact of technology in the future. In the words of one participant: "Fear is no longer the greatest impediment toward getting teachers to use technology; it's time." If the public sector can reorganize schools to give teachers time to train, technology will finally realize its potential to raise student achievement.

2. How do you currently determine the budget for telecommunications services?

Participants generally indicated that the budget for telecommunications services was constrained by two things: recurring costs that were "new" to the budget, and the historical attitude that "telecommunications budgets can be cut, but other parts of the budget cannot, -- especially staff."

Participants perceive a lack of public commitment to technology in the schools that would support budget increases. Some districts have used bond issues or sales tax

referenda to fund hardware, but telecommunications services are part of the general operating budget and get less priority.

Some participants noted how early gifts of technology from PTA's, businesses, or grants were accepted without a clear understanding of associated ongoing costs. Schools that received interactive video studios and access have not found the impact sufficient to justify the monthly charge. Likewise, the cost of technology doesn't always reflect the associated need for additional expenditures for software, maintenance, training, etc.

When the issue of "reallocation" of funds from other budget accounts was raised, some participants felt that more could be done to assign various technology costs to accounts for materials and supplies, maintenance, etc. Because technology and telecommunications are being used to achieve instructional purposes, not just administrative needs, reallocation of funds might be a method to find additional funds for telecommunications and technology, rather than identifying them as "new" budget requirements.

3. If the universal service fund is used to reduce the gaps between telecommunications "haves" and "have nots," what criteria should be used to determine where the need is greatest?

Participants in all groups called for a definition of telecommunications "haves," noting that "have not" schools could be more easily identified if there were a common agreement on what minimum level or model of technology we want all schools to achieve. They did not mind "haves" getting funds if the "have nots" are brought up to a certain defined minimum that is adequate as well as equitable.

Participants also observed that "have not" schools were not necessarily the result of lack of funds. They pointed out that "have not" schools could also result from lack of educational leadership, lack of taxpayer/community commitment, lack of infrastructure for access, and other factors. These problems relate to each other. Poor facilities do not attract strong leadership, and leadership helps to motivate parents and communities to invest more in education. Because lack of technology was not always due to lack of funds, participants called for some accountability of recipients of universal service funds to adhere to a plan and to define results they expect to achieve.

Participants also wanted assurance that those schools or districts that had sacrificed or taken risks to deploy technology would not be punished by having a more limited access to subsidies under universal service. One noted that "sparks come from the 'haves' who push the frontiers" for all of education.

Most groups also recognized that financial support for telecommunications services did not guarantee that schools could support the hardware, software and training budgets that would make those services functional and effective. One participant described them as

the "hardware infrastructure" and the "staff development infrastructure." Again, they suggested that schools should demonstrate their commitments to these local investments as part of their eligibility for receiving universal service funds. Another issue of equity was the distance sensitivity of some services that make rural schools especially vulnerable to higher costs.

Comments on criteria to determine need focused on size and ability to pay. Participants did not agree to use size of school as a criterion. They did agree that careful attention should be paid to the ability of a district or state to tax itself, and the commitment of the local government to education in relation to other public interests.

4. Should telecommunications services be discounted or should schools receive an allocation of funds to spend on designated services? How would you determine an appropriate discount or allocation to make services affordable? How do you assure equity through either method, or another process altogether?

The initial responses to the discount vs. allocation question varied, but so did the subsequent conversations. While some groups preferred discounts, others preferred allocation, and some groups had mixed opinions. Some participants started off thinking that discounts were preferable, but changed their opinion after discussion to believing that allocation of funds provided more potential merit and benefits for schools.

Comments are instructive:

- * Allocations allow schools to get started where (the value of) a discount depends on the local investment already made.
- * Allocate services, not funds or discounts; avoid paperwork and handle at a higher (district or state) level. Get all schools to a basic service level first, then work on moving all schools to the next level. Give incentives (allocations) to schools to meet minimum level, then give discount for next level of services (advanced).
- * Like the allocation of funds concept, but want a formula to provide equipment and training too.
- * Have to commit to adequacy as well as equity. There needs to be start up equipment.
- * Discounts or free service eliminate the paperwork. Allocations may create paperwork.
- * A disadvantage of the discount methodology is that it will require a way to handle current consortia that have been built on volume-based negotiations with organizations that don't qualify as recipients under the universal service.
- * The real cost of providing education technology in the future is the cost to the provider of providing infrastructure access to the school, not in the equipment at the school level.
- * If the discount methodology is selected, discounts of less than 100% (partially contributing to the cost of the service) benefit schools by forcing them to match their desire for the service with their intent to use the service.
- * New service volumes (demand), based on wiring direct to classrooms, and access to home markets, should make prices go way down and make services more affordable anyway.

* Affordable flat rates, in place of usage sensitive rates, are a viable alternative to requiring discounts.

5. What factors should be used to determine a "bona fide" request for universal telecommunications services? What other factors, if any, need to be in place for a school to take advantage of resources from the fund?

Uniformly, the four groups concurred that schools and/or districts should provide technology plans that demonstrate the schools' capacity to use the services effectively. Some participants acknowledged that technical assistance would be needed to help some schools prepare sound plans. In many states, technology plans already are required at the school or district level, therefore no additional burden is created for schools.

Elements of a sound plan would include staff development (time and training), a curriculum and instructional plan, district support for schools that need planning assistance, sources of funds for other elements of technology plan, and relationship of the technology plan to an overall school improvement plan.

Other elements of a plan that were identified were: accreditation, community involvement, teacher involvement, and approval by the district or state agency. Put more succinctly, one participant described the need for schools/districts to provide evidence of: (1) being a legal entity, (2) their capability to deliver, and (3) their probability of sustaining the effort.

6. How much autonomy should schools have in requesting telecommunications services? What is the role of the district, state, or other entities?

Schools should maintain the same level of autonomy they currently have to purchase services. In most cases, individual schools work through their district offices to order and receive telecommunications services.

There was contention over whether the application and technology plan should be "approved" by the district only, or by the state education agency as well. Most participants recognized the desirability of schools being able to access other schools both within and across districts, and the efficiency of connecting schools to district offices and state agencies. Interconnectivity would require technology standards that could be set at the state level.

Facilitator Summary of Notes.

Attached is a summary of discussions with the education focus group participants provided by the facilitator from an outside consultant firm.

**Focus Group Discussion Questions
relating to
Universal Telecommunications Services and Education**

1. What telecommunications services are you using today?

The two telecommunications services most frequently mentioned were internet access and distance learning. Most everyone expressed the view that it was critical that schools have Internet access in the classroom; students without it were going to be extremely disadvantaged. Distance learning, of course, took several forms: satellite delivered, video conferencing via land lines, and courses offered via the Internet.

There was some mention of the regular old telephone, a device that teachers were beginning to see in their work areas—a novel (and extremely positive) change to most of them. Telephones certainly are going to become much more prevalent in schools, a rather significant, but little thought of, part of the expansion of telecommunications services to schools.

The few that understood the significance of this, i.e., that a service had to be an agreed upon basic or advanced service in order for it to be acquired using the universal service funding mechanism, urged that all services be covered.

And what are you planning to use in the near future?

Most everyone who commented about what they would be doing in the future said that Internet access was the primary service they were trying to arrange for their schools. There is little doubt that this is going to be the predominant area of emphasis for the next 2-3 years.

Of these services, which do you consider the highest priority?

From the discussions it is clear that Internet access currently is the highest priority service.

2. How do you currently determine the budget for telecommunications services?

Participants identified a variety of funding sources for telecommunications services. Since such services are generally operational expenses, most are covered from the general fund. Several reported a recent successful bond or tax referendum which had provided funds primarily for the infrastructure that would support telecommunications. Frequently participants indicated that a common way schools acquired funds for technology and/or telecommunications resources was

through grants and/or donations. In fact, some said that without grants, many — schools would have very little or no money for technology.

As for how they currently determine the budget for telecommunications services, that is largely dependent upon the resources available to them. Generally, school districts must allocate 80-85 percent or more of their budget to salaries, meaning they have little left to cover all the other costs of schooling. Given the limited discretionary funds available, technology is often funded only if there is a high level technology "champion" who is able to influence the budgeting process. The actual amounts budgeted depend upon the degree to which its advocates can convince the policy makers that technology can improve student learning.

3. **If the universal service fund is used to reduce the gaps between telecommunications "haves" and "have nots," what criteria should be used to determine where the need is greatest?**

It was surprising that not a lot of specific suggestions came when this issue was discussed. In the meeting of superintendents in Atlanta there was some discussion of using Title I criteria. At the meetings that followed, I don't think it was mentioned again.

Some participants commented that school districts should be the ones that determine whether a school is a "have" or "have not" and be assigned the responsibility to allocate funds appropriately.

4. **Should telecommunications services be discounted or should schools receive an allocation of funds to spend on designated services?**

The reactions to this question were definitely mixed. In one meeting (Orlando) the participants were decidedly in favor of discounts. In another one (Jackson) most people favored an allocation of funds. Within the other meetings the opinions differed. The bottom line was that there were advocates for both forms of support for schools.

How would you determine an appropriate discount or allocation to make services affordable?

Most frequently the "free" rate was mentioned, although most folks recognized that "free" wasn't too likely. Other than these comments, there was not any talk of how to determine specific discounts or amounts to allocate.

How do you assure equity through either method, or another process altogether?

Again, there was not much comment about how to assure equity.

5. What factors should be used to determine a "bona fide" request for universal telecommunications services?

The K-12 educators who attended the focus group sessions, were much more stringent about what should constitute a "bona fide" request than those who crafted the Telecommunications Act. While I believe Congress simply wanted to be sure a requesting school complied with the criteria outlined in the legislation, the focus group participants wanted to incorporate more stringent requirements. For example, many of them contended that no school should get any funds to support telecommunications unless they had a technology plan. In other words, to qualify as a "bona fide" request, a school must have a technology plan.

Another opinion expressed by several participants was the notion that a plan alone was not enough. In order to be a "bona fide" request, a school must have a plan and some amount of committed funds to ensure successful implementation of the telecommunications initiative.

What other factors, if any, need to be in place for a school to take advantage of resources from the fund?

In addition to a plan, a school must have the concurrence of its school board before it can access universal service funds. As responses to the next question illustrate, there were strong feelings that schools should not unilaterally request telecommunications services.

6. How much autonomy should schools have in requesting telecommunications services?

If there was one thing just about all participants were in agreement on, it was that schools should not be able to request telecommunications services independent of their district. While it was not necessary that districts make the request for their schools, when a school made the request, they should not be allowed to obtain the services unless they could document their district's approval of their request.

What is the role of the district, state, or other entities?

As indicated above, the district does have a role to play. Generally it is one of coordination. School plans need to be consistent with district plans and districts need to be cognizant of school requests for telecommunications services.

There was little discussion of the role of states. While there was not a problem with states being involved, there was not a clear idea about how that might occur.

Question:

What examples can you provide of telecommunications services being provided to the classroom level?

Response:

The attached report, Supporting Student Success: BellSouth's Commitment to Education 1991 -- 1995, provides a summary of BellSouth's support for education over the last five years. During this time period, BellSouth has responded to education planning needs by offering over \$136 million in savings on telecommunications services through discounts for classrooms and education institutions. As additional information, also attached are copies of state tariffs offering discounted exchange service to classrooms for education purposes.

A2. GENERAL REGULATIONS

A2.3 Establishment And Furnishing Of Service (Cont'd)

A2.3.6 Application Of Rates For Business And Residence Services (Cont'd)

- C. Residence rates apply for:
 - 1. Private residences on service not employing business listings.
 - 2. Subscribers residing in private apartments in hotels, clubs, hospitals, boarding houses, who request their own individual residential service when business listings are not employed.
 - 3. College fraternity houses where members of the fraternity lodge within the house.
 - 4. Secretarial line terminations of residence main service terminating as extension lines on the premises of a telephone answering bureau.
- D. If a subscriber's service changes from business service to residence service, the telephone number must be changed. Reference of calls will not be provided regardless of how long the existing Directories will remain in effect. Service connection charges, which apply for such changes, are quoted in Section A4. of this Tariff.
- E. Changes from residence to business service may be made without change in telephone number, if the subscriber so desires. Service connection charges, which apply for such changes, are quoted in Section A4. of this Tariff.
- F. Local telephone lines needed for Classroom Communication Service will carry a regular residence Area Calling Service rate as defined in A3. of this Tariff.

A2.3.7 Transfer Of Service Between Subscribers

- A. At the Company's discretion, service previously furnished one subscriber may be assumed by a new subscriber if the new subscriber willingly assumes all existing financial responsibility for the account once such service has been cancelled or abandoned by the previous subscriber providing there is no lapse in the rendition of service. After the new subscriber assumes financial responsibility, all future bills will be rendered to the new subscriber.

Service charges, as specified in Section A4. of this Tariff will apply as appropriate. (T)

A service charge does not apply when transferring the service to the remaining spouse in the event of divorce or death of a spouse. (N)
- B. After the new subscriber assumes financial responsibility, the new subscriber may retain the existing telephone number if the Company deems such a transfer appropriate and if the previous subscriber consents or if the previous subscriber has abandoned the service.

A3. BASIC LOCAL EXCHANGE SERVICE

A3.31 Interstate Subscriber Line Charge Waiver and Matching Program (Cont'd)

A3.31.1 Lifeline¹ (Cont'd)

C. Rates and Charges

1. Monthly credit for Medicaid recipients

- (a) Federal credit²
- (b) Company credit²

Monthly Rate	USOC
\$-	ASGS1
-	CRAS1

(N)
(N)
(N)
(N)
(N)
(N)
(N)

X A3.32 Classroom Communication Service

A3.32.1 General

- A. Classroom Communication Service provides local access service for in-classroom voice and data communications. It is intended only as a communications link between classrooms for the purpose of enhancing the education process by allowing one or more teachers to conduct classes at multiple locations and to access various informational databases.
- B. This access line will not be used for administrative purposes.
- C. Directory listings will not be provided.

(M)
(M)
(M)
(M)

A3.32.2 Regulations

- A. This service is available to full time educational institutions, public or private that are eligible for accreditation by the Southern Association of Colleges and Schools.
- B. Grouping Service will be provided at the applicable rates for Area Calling Service residence subscribers as shown in A3.19 preceding.
- C. All rules and regulations appearing in other sections of this Tariff apply unless otherwise stated herein.

(M)
(M)
(M)

A3.32.3 Rates and Charges

- A. The rates and charges for Classroom Communication Service include a monthly recurring access line rate and local usage charges.
- B. Local usage will be billed at the rates shown in A3.2.9.F. preceding.

(M)
(M)

Note 1: The Lifeline plan will be available to qualified subscribers on and after June 1, 1995.

(N)

Note 2: Each credit is equal to 100 percent of the Interstate Subscriber Line Charge.

(N)

A3. BASIC LOCAL EXCHANGE SERVICE

* A3.32 Classroom Communication Service (Cont'd)

A3.32.3 Rates and Charges (Cont'd)

- C. The usage package and regulations will be the same as those applicable to Option 1 - Area Calling Service for residence subscribers as shown in A3.2.9.E.1. preceding.
- D. Time of day discounts are shown in A3.2.9.J. preceding.
- E. The monthly recurring charges for the access line will be billed at the following rate.
 - 1. Access line

	Monthly Rate	USOC	
(a) Both Way (Same as Residence Individual Line Area Calling Service Rate)	\$-	1EC2A	(C)

- F. Calls completed with automated calling cards or operator assistance within the local calling area as described in A3.6.1 will be rated at the usage charges preceding in addition to the appropriate Operator Assisted Local Call surcharges. Such calls are itemized on the subscriber's billing statement and are billed outside any applicable usage caps or allowances. All other calls completed with automated calling cards or operator assistance will be billed the applicable Long Distance Message Telecommunications Service (MTS) charges as described in Section A18. of this Tariff.
- G. Service charges will be billed at the business rate as shown in A4.3.1 of this Tariff.

A3.33 Reserved For Future Use

A3.34 Reserved For Future Use

A3.35 Reserved For Future Use

A3.36 Reserved For Future Use

A3.37 Reserved For Future Use

A3.38 Back-Up* Line

A3.38.1 Regulations and Rates

- A. Back-Up* Line is an optional service which provides individual line business subscribers with an additional line which is available for inward and outward calling.
- B. This service is only available to individual line business subscribers, where facilities permit. Back-Up* Line service cannot be used as the primary business line, and must be located on the same premises as the business individual line service with which it is associated.

Back-Up* Line will not be available to Classroom Communication Service.

- C. Each Back-Up* Line can receive calls forwarded from one busy primary line or hunt group at no charge. This overflow capability will be provided on the forwarding line.

If a customer subscribes to more than one Back-Up* Line, these Back-Up* Lines may be provisioned in an overflow group at no charge. Overflow capability may not be provided from a Back-Up* Line or group of Back-Up* Lines to other lines on the same premises.

A2. GENERAL REGULATIONS

A2.3 Establishment and Furnishing of Service (Cont'd)

A2.3.1 Availability of Facilities (Cont'd)

- C. When excessive costs are involved for the construction of facilities, charges for such construction will be determined in accordance with the regulations as set forth in Section A5., "Charges Applicable Under Special Conditions", except as otherwise specified.

A2.3.2 Flat and Message Rate Service

- A. When both flat and message rate service are offered for the basic service area of an exchange, an applicant may, at his option, select either type of service or combination of services for the applicant's private residence location.

An applicant at a business location may select either flat or message rate service when both types are available in the exchange. However, a combination of both flat and message rate service will not be furnished to the same subscriber at the same business location. Different applicants at the same business location, even in the same office, may each subscribe to a different type of service as long as each applicant has a different account and the applicants do not share a communication or other key-type system. The exceptions to the mixing restrictions for business locations are listed following:

1. To hotel and hospital premises where flat rate service may be furnished for the exclusive use of the hotel or hospital management or may be contracted for separately by guests or patients in addition to the message rate service ordinarily provided in guests' or patients' room and lobbies;
2. To premises where semi-public or public telephones may properly be located;
3. To nonadministrative lines connected to secretarial service facilities and not furnished with outward service;
4. To a flat rate Foreign Exchange line which is switched at a location outside the local calling area of the normal serving exchange.
5. To premises where Back-Up* Line service may be located with flat rate, measured rate or message rate primary line service.
- (6.) To any combination of Classroom Communication Service lines with flat rate administrative lines at a school teaching grades kindergarten through twelve or public libraries including the state library and archives, regional libraries and public libraries in any county, city or town. (C)

A2.3.3 Party Line Service

When party line service is furnished to a subscriber, the Company may in consideration of the rate at which service is furnished, establish and furnish service to one other subscriber in the case of two-party line service, and to three other subscribers in the case of four-party line service. The Company reserves the right to cancel any party line service, upon thirty days' notice, whenever in the judgment of the Company, the use of the subscriber holding such contract is such, from large use or other causes, as to interfere with the reasonable use of others connected with the same line.

A2.3.4 Rotary Line Service

Any individual lines arranged for rotary, level hunting or similar service which allows an incoming call to a line that is called to be completed over another line by means of central office equipment will be classed as rotary lines. Lines used as trunks to PBX, Centrex Type Services or other switching systems are not classed as rotary lines. Rotary main service is restricted to a single premises.

Refer to Section A3. for the rotary line rate.

A2.3.5 Application for Service

- A. Any applicant for facilities or service may be required to sign an application form requesting the Company to furnish the facilities or service in accordance with the rates, charges, rules, and regulations from time to time in force and effect.

* Service Mark of BellSouth Corporation

A3. BASIC LOCAL EXCHANGE SERVICE

* A3.32 Classroom Communication Service

A3.32.1 General

- A. Classroom Communication Service provides local access service for in-classroom voice and data communications. It is intended only as a communications link placed in classrooms or information retrieval centers for the purpose of enhancing the education process by allowing teachers to conduct classes at multiple locations and to access various informational databases. This offering is also available to public libraries including the state library and archives, regional libraries and public libraries in any county, city or town.
- B. This service is available to full time educational institutions, public or private, teaching grades kindergarten through twelve that are accredited by the state of Georgia.
- C. Access lines provided under these conditions must not be used for administrative purposes.
- D. The rules, regulations and conditions of service specified in A3.7.2 for message rate service apply for Classroom Communication Service. For rates and charges applicable to Classroom Communication Service see A3.32.2 following.
- E. Directory listings will not be provided.
- F. Normal application of service charges as specified in Section A4. for a business access line shall apply for this service.
- G. All rules and regulations appearing in other sections of this Tariff apply unless otherwise stated herein.

A3.32.2 Rates and Charges¹

- A. The monthly rates specified in A3.7.2.B.1.a will apply for Classroom Communication Service. *The USOC CCS is associated with this service.* (C)
- B. Usage Charges
 - 1. The usage charges specified in A3.7.4.D.2 apply for Classroom Communication Service. The monthly *residential* message allowance as specified in A3.7.1.C.3 *applies for Classroom Communication Service.* (C)
 - 2. Monthly billable usage charges for calls terminating in the basic service area for a Classroom Communication Service individual line will not exceed the monthly rate for residence flat rate individual line service. Operator-assisted calls and customer-dialed credit card calls are not included in the line usage for application of the monthly billable usage limit.

Note 1: Rate Groups 1, 3, 4, 6, 8, 9, 10 and 11 were deleted 01-01-92 and have been removed from A3.32 of this Section.

A2. GENERAL REGULATIONS

A2.3 Establishment And Furnishing Of Service (Cont'd)

A2.3.6 Application Of Rates For Business And Residence Service (Cont'd)

- B. (Cont'd)
5. Service listed in business telephone directories or in the business section of the White Pages Directory or listed as a business in a combined residence/business White Pages Directory. (T)
- C. Residence rates apply for:
1. Private residences on service not employing business listings.
 2. Subscribers residing in private apartments in hotels, clubs, hospitals, and boarding houses who request their own individual residential service when business listings are not employed.
 3. College fraternity houses where members of the fraternity lodge within the house.
 - ④ 4. Public or parochial schools.
 5. Secretarial line terminations of residence main service terminating as extension lines on the premises of a telephone answering bureau.
- D. Residence rates also apply for telephone service located in individual churches when such service is listed in the name of the church. This residence rated service is intended for use by the church in its normal operations with its local members. Services provided for other associated church activities, which would otherwise be considered as business functions, will be classified as business services. In cases when the residence and business services are combined into one telephone system, the business rates must then apply for all services.
- E. If a subscriber's service changes from business service to residence service, the telephone number must be changed. Reference of calls will not be provided regardless of how long the existing Directories will remain in effect. Service connection charges, which apply for such changes, are quoted in Section A4. of this Tariff.
- F. Changes from residence to business service may be made without change in telephone number, if the subscriber so desires. Service connection charges, which apply for such changes, are quoted in Section A4. of this Tariff.
- G. Customers identifying themselves as amateur radio operators, licensed under Part 97 of the Federal Communications Commission (FCC) Rules and Regulations, will be charged residence rates at business locales and residence locales. The FCC prohibits the transmission of business communications by an amateur radio station (Para. 97.110). This rule does not negate the application of the appropriate business or residence classification of telephone access lines.

A2.3.7 Transfer Of Service Between Subscribers

- A. At the Company's discretion, service previously furnished one subscriber may be assumed by a new subscriber if the new subscriber willingly assumes all existing financial responsibility for the account once such service has been cancelled or abandoned by the previous subscriber providing there is no lapse in the rendition of service. After the new subscriber assumes financial responsibility, all future bills will be rendered to the new subscriber.

Service charges, as specified in Section A4. of this Tariff will apply as appropriate.

A service charge does not apply when transferring the service to the remaining spouse in the event of divorce or death of a spouse.

EFFECTIVE: November 1, 1987

A3. BASIC LOCAL EXCHANGE SERVICE

A3.18 Concession Service (Cont'd)

A3.18.2 Charitable Institutions

A concession of 25 percent from the regular business rate is allowed to corporations, associations and institutions, or any branch thereof who comply with all of the following qualifications:

- A. Are dependent upon voluntary contributions for their support.
- B. Are exclusively engaged in charitable work.
- C. Provide a majority of its services free of charge and utilize any compensation received for its services wholly in the prosecution of its charitable work, not resulting in any profit to the organization or any member thereof.
- D. Are engaged principally in the furnishing of direct aid to the physical health and comfort of human beings in the form of money, services or necessary commodities. For determining eligibility for concession service, those corporations, associations and institutions whose principal work is the elevation or enlightenment of minds or morals, or the reformation, punishment, or correction of acts, habits or mental conditions, or the enforcement of law, or the protection of rights, are not to be classed as charitable institutions.
- E. Communication equipment furnished at concession rates for charitable institutions must be located in the administrative offices, institutional buildings or any of the branches thereof.

A3.18.3 Schools, Churches And Clergymen

- (A) A concession of 15 percent from the regular business rate is allowed to schools and churches, provided the telephone is located in the school, church or church study and listed under the name of the school or church.
- B. A concession of 25 percent from the regular residence rate is allowed to a regularly ordained clergyman (See definition of terms) actively engaged in the work of a designated church, provided the telephone is located in his residence and is listed in the name of the clergyman.

Concessions are granted to clergymen not as individuals but because of their official connection with a church or group of churches. It is assumed that the clergyman will direct and handle many of the church's activities over this residence telephone and is therefore entitled to such consideration provided the service is located in the clergyman's residence and listed in his name.

- C. For the purpose of this section, the ranking officer of the Salvation Army or the Volunteers of America in each exchange is allowed the same treatment as a regularly ordained clergyman.
- (D) The concession described in A3.18.3.A. preceding is allowed for elementary, junior and high schools.

A3.19 Grouping Service

A3.19.1 General

Grouping service is a combination of two or more residence or business individual lines or trunks connected to the central office so that incoming calls to the listed number overflow to the next available line if the listed number is busy.

A3. BASIC LOCAL EXCHANGE SERVICE

A3.30 Reserved For Future Use

A3.31 Reserved For Future Use

* A3.32 Classroom Communication Service

A3.32.1 General

- A. Classroom Communication Service provides local access service for in-classroom voice and data communications. It is intended only as a communications link between classrooms for the purpose of enhancing the education process by allowing one or more teachers to conduct classes at multiple locations and to access various informational databases.
- B. This access line will not be used for administrative purposes.
- C. Directory listings will not be provided.

A3.32.2 Regulations

- A. This service is available to full time educational institutions, public or private that are eligible for accreditation by the Southern Association of Colleges and Schools.
- B. Grouping Service will be provided at the applicable rates for Area Calling Plan residence subscribers as shown in A3.19 preceding.
- C. All rules and regulations appearing in other sections of this Tariff apply unless otherwise stated herein.

A3.32.3 Rates and Charges

- A. The rates and charges for Classroom Communication Service include a monthly recurring access line rate and local usage charges.
- B. Local usage will be billed at the rates shown in A3.2.9.E. preceding.
- C. The usage package and regulations will be the same as those applicable to Option 1 - Area Calling Plan for residence subscribers as shown in A3.2.9.C.1. preceding.
- D. Time of day discounts are shown in A3.2.9.F. preceding.
- E. The monthly recurring charges for the access line will be billed at the following rate which includes Touch-Tone service.
 - 1. Access line

Monthly
Rate USOC

- (a) Both Way (Same as Residence Individual Line Area Calling Plan Rate)

\$- 1EC2A

- F. Calls completed with automated calling cards or operator assistance within the local calling area as described in A3.6.1 will be rated at the usage charges preceding in addition to the appropriate Operator Assisted Local Call surcharges. Such calls are itemized on the subscriber's billing statement and are billed outside any applicable usage caps or allowances. All other calls completed with automated calling cards or operator assistance will be billed the applicable Long Distance Message Telecommunications Service (MTS) charges as described in Section A18. of this Tariff.
- G. Service charges will be billed at the business rate as shown in A4.3.1 of this Tariff.

A2. GENERAL REGULATIONS

A2.3 Establishment And Furnishing Of Service (Cont'd)

A2.3.6 Application Of Rates For Business And Residence Service (Cont'd)

- D. If a subscriber's service changes from business service to residence service, the telephone number must be changed. Reference of calls will not be provided regardless of how long the existing Directories will remain in effect. Service Charges, which apply for such changes, are quoted in Section A4. of this Tariff.
- E. Changes from residence to business service may be made without change in telephone number, if the subscriber so desires. Service Charges, which apply for such changes, are quoted in Section A4. of this Tariff.
- F. Customers identifying themselves as amateur radio operators, licensed under Part 97 of the Federal Communications Commission (FCC) Rules and Regulations, will be charged business rates at business locales and residence rates at residence locales, as provided in B. and C. preceding. Although the FCC prohibits the transmission of business communications by an amateur radio station (Para. 97.110), this rule does not negate the application of the appropriate business or residence classification of telephone access lines.
- G. Local telephone lines used for In-Classroom Computer Access Service will not carry a regular business or residence service rate but will have a special rate as defined in A3.32 of this Tariff.

A2.3.7 Transfer Of Service Between Subscribers

- A. Service previously furnished one subscriber may be assumed by a new subscriber upon due notice of cancellation, or in case of abandonment, provided there is no lapse in the rendition of service. Such transfers are subject to service connection charge regulations and may be arranged for in either of two ways:
 - 1. If the new subscriber, fully understanding the regulations governing the service and the status of the account, willingly assumes all obligations thereunder. Future bills are then rendered to him without an adjustment to or from any particular date, with the Company arranging for requested change in billing and directory listing.
 - 2. If the new subscriber does not wish to assume payment of the old account a new service application is taken and an adjustment in billing is made to and from the date the transfer is effective.
- B. The telephone number of the service being transferred may be continued for the new subscriber only after the former subscriber has given his consent and an arrangement acceptable to the Company is made to pay all charges, billed or unbilled, against the service.
- C. Private Branch Exchange Service may be transferred from one subscriber to another pursuant to the preceding regulations and any other regulations which may be specified in other tariff sections relating to the service transferred. See Section A11., Private Branch Exchange Service and Section A100., Obsolete Service Offerings for additional regulations and requirements.

A2.3.8 Initial Service Periods

- A. Unless otherwise specified, the initial service period for all services offered in this Tariff is one month commencing with the date of installation of the service.
- B. For all other services furnished with initial service periods exceeding one month, the applicable initial service period is the number of months indicated in brackets following the basic termination charge listed in that section of this Tariff containing the service offered.
- C. The initial service period relates to each applicable unit of service, either on the initial or subsequent installations.

A3. BASIC LOCAL EXCHANGE SERVICE

A3.31 Lifeline Assistance Program (Cont'd)

A3.31.3 Rates and Charges (Cont'd)

A. (Cont'd)

2. Monthly credit for AFDC recipients

(a) Federal reduction¹

(b) State reduction¹

3. Monthly credit for SSI recipients

(a) Federal reduction¹

(b) State reduction¹

4. Monthly credit for Food Stamps recipients

(a) Federal reduction¹

(b) State reduction¹

5. Monthly credit for Medicaid recipients

(a) Federal reduction¹

(b) State reduction¹

Monthly
Rate

USOC

\$- ASGFA

- ASGSA

- ASGFS

- ASGSS

- ASGFC

- CRASC

- ASGS1

- CRAS1

* A3.32 In-Classroom Computer Access Service

A3.32.1 General

A. Pursuant to an Order by the Tennessee Public Service Commission, this tariff offering provides local telephone lines for the in-classroom use of computers and modems to access various informational databases and shared educational programs as well as accessing students in other classrooms for the purpose of sharing information and learning experiences. These telephone lines may also be used for teacher workroom use of computer and modems to access various informational databases and to share information and ideas with other teachers in an effort to enhance the educational experience of the students. *This offering is also available to public libraries including the state library and archives, regional libraries, and public libraries in any county, city or town.* (C)

B. The access line rate described in A3.32.3.B includes the rate for Touch-Tone.

C. The following local usage regulations will apply for all dialed sent-paid local calls.

1. Local usage charges will be billed at the usage rates described in A3.32.3.C.

2. Total local billed usage charge will not exceed \$6.00 per line.

3. Time/Day discounts do not apply.

D. This access line shall not be used to replace existing administrative lines.

E. Listings will not be provided for these access lines.

F. Nonrecurring charges are to be billed at Residence rates. (C)

G. All rules and regulations that appear in other sections of this Tariff apply unless otherwise stated herein.

A3.32.2 Regulations

A. This offering is available to full-time educational institutions, grades K through 12, that are eligible for accreditation by the Southern Association of Colleges and Schools. *This offering is also available to public libraries including the state library and archives, regional libraries, and public libraries in any county, city or town.* (C)

Note 1: Each reduction is equal to 100 percent of the Interstate Subscriber Line Charge.